

REMARKS

Reconsideration of this application as amended is respectfully requested.

In the Office Action dated April 10, 2006, claims 1, 3-16 and 18-31 were pending. Claims 1, 3-16 and 18-31 were rejected. In this response, claims 1, 3-16 and 18-31 remain pending. Claims 1, 3, 7, 9, 16 18, 22, 24 and 31 have been amended. No new claims are added. Support for the amendments can be found throughout the specifications as filed. No new matter has been added.

Amendments

Amendments to the Claims

Rejections

Rejections Under 35 U.S.C. 103(a)

Claims 1, 3-16 and 18-31

Claims 1, 3-16 and 18-31 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Auto Lease Shopping Now Made Easier, Consumer research Magazien (hereinafter "CRM") in view of U.S. Patent No. 5,794,207 to Walker (hereinafter, "Walker"). However, Applicants respectfully submit that Applicants' invention as claimed in claims 1, 3-16 and 18-31, as amended, is patentable over the cited references.

Specifically, for example, independent claim 1, as amended, includes the limitations:

“determining a first transformation function for the first value, wherein the first transformation function is only known to the buyer;
determining a first set of non-comparative bid parameters for the first transformation function;
determining a second transformation function for the second value, wherein the second transformation function is only known to the buyer;
determining a second set of non-comparative parameters for the second transformation function;
transforming said first and second values to third and fourth values based on the first transformation function with the first set of non-comparative bid parameters and the second transformation function with the second set of non-comparative bid parameters, respectively, having a standard unit of measurement, wherein third value represents a total payment for leasing the requested item over a predetermined period of time, wherein the fourth value represents a total payment for the straight purchase of

the requested item”

(emphasis added)

Applicants’ amended claims 1 includes the limitations of determining transformation functions known only to the buyer to transform values into representing total payment for leasing an item and total payment for the straight purchase of the item with a standard unit of measurement. It is respectfully submitted that neither CRM nor Walker, individually or in combination, disclose or suggest the noted limitations.

Rather, CRM discloses a new-car leasing service calculating a monthly payment index that ranks competing dealers based on both the recommended leasing plan and available lowest –cost leasing plan from each dealer according to a customer’s requested make, model and style of a vehicle along with a lease term (CRM, page 1-2). CRM also teaches calculating total cost index that rates overall lease plan cost should the customer choose to purchase the vehicle at the end of the lease term (CRM, page 2). In CRM, index calculation is done after the competitive bids are received and verified. Clearly, the result of CRM’s calculation for a leasing plan is based on the terms inside the leasing plan and independent of different buyers. CRM also states the monthly payment index and the total cost index are two reference numbers as a point of comparison between bidding dealers rather than actual monthly payment or total cost; the lower the number the lower actual monthly payment or total cost will be (CRM, page 3). Apparently, in CRM, one index is used to compare monthly payment and the other for total cost with end of lease purchase. CRM does not compare the monthly payment index of one leasing plan to the total cost index of another leasing plan. Indeed, monthly payment and total cost with end of lease purchase are different measurements. Nowhere does CRM disclose or suggest determining transformation functions known only to the buyer to transform values into representing total payment for leasing an item and total payment for straight purchase of the item with a standard unit of measurement.

Walker, on the other hand, teaches a method for prospective buyers to communicate a binding purchase offer to potential sellers using an electronic network and central controller (Walker, col. 8, lines 28-44). In Walker, the subject of goods a buyer wishes to purchase is specified in a conditional purchase offer (CPO) (Walker, col. 8, lines 46-49). When a CPO is received, it is checked by Walker to see that sufficient credit is available to cover the stated price of CPO (Walker, col. 17, lines 27-30). When the first unconditional acceptance of a

CPO is received from a seller, Walker legally binds the CPO between the seller and the buyer, preventing subsequent sellers from being able to bind the CPO (Walker, col. 19, lines 13-67). However, Walker is completely silent about the above noted limitations.

Furthermore, in Walker, a buyer specifies the price in CPO subject to pre-authorization of buyer's credit for the seller to accept (Walker, col. 17, lines 27-46). In contrast, in CRM, sellers (dealers) recommend leasing plans (price) without the need to check buyer's credit. Therefore, Walker and CRM teach away from each other.

Office Action states "it would have been obvious to one with ordinary skill in the art at the time of Applicant's invention to modify the teachings of CRM and Walker and include a net present value calculation" (Office Action, page 6). Applicants respectfully disagree.

Specifically, for example, CRM points out that the monthly payment index and the total cost index are not actual monthly payment or total cost because they do not take into account options, taxes, tags, title, security deposit and other fees. In contrast, tax rate, depreciation model, book value life, cost of debt, cost of capital, inception cost, exit costs etc. and so forth are considered in transforming a price into present value as disclosed in Applicants specification. Therefore, CRM teaches away from a net present value calculation.

In addition, it appears that CRM's processes are done by human manually, contrary to the present invention as claimed which requires computer processes. There is no suggestion within CRM that such operations can be performed by a computer. There is no suggestion within CRM & Walker to combine with each other. The approaches of CRM & Walker are significantly different. One with ordinary skill in the art would not, based on the teachings of CRM & Walker, combine these two references because such a combination lacks reasonable expectation of success.

As such, not only do CRM and Walker not disclose, individually or even in combination, the above noted limitations, but the references, considered as a whole, do not suggest the desirability and thus the obviousness of making the combination.

In order to render a claim obvious, each and every limitation of the claim must be taught by the cited references. Therefore, in view of the foregoing remarks, it is respectfully submitted that CRM and Walker fail to disclose or suggest each and every limitation of claim

1. Therefore, for the reasons set forth above, it is respectfully submitted that claim 1, as amended, is patentable over the cited references.

Independent claims 16 and 31, as amended, include similar limitations of claim 1, as amended. Therefore, for the reasons similar to those discussed above, it is respectfully submitted that independent claims 16 and 31, as amended, are patentable over the cited references.

Given that claims 2-15 and 18-30, as amended, depend from independent claims 1, 16 or 31 and include the above noted limitations, it is respectfully submitted that claims 2-15 and 18-30, as amended, are patentable over the cited references.

Therefore, withdrawal of the rejections is respectfully requested.

CONCLUSION

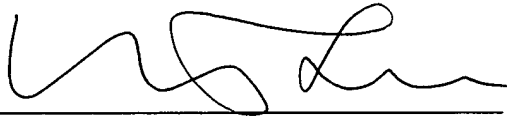
In view of the foregoing, Applicant respectfully submits the present application is now in condition for allowance. If the Examiner believes a telephone conference would expedite or assist in the allowance of the present application, the Examiner is invited to call the undersigned attorney at (408) 720-8300.

Please charge Deposit Account No. 02-2666 for any shortage of fees in connection with this response.

Respectfully submitted,

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